

Senate File 2404 - Introduced

SENATE FILE 2404

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 3208)

(COMPANION TO HF 2480 BY

COMMITTEE ON APPROPRIATIONS)

A BILL FOR

1 An Act concerning manufactured homes by creating a manufactured
2 housing program fund and providing eligibility under the
3 home ownership assistance program for military members for
4 the purchase of manufactured homes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 16.45 Manufactured housing program
2 fund.

3 1. A manufactured housing program fund is created within
4 the authority to further the goal of providing affordable
5 housing to Iowans. The moneys in the fund are to be used for
6 the purpose of providing funding to financial institutions or
7 other lenders to finance the purchase by an individual of a
8 manufactured home that is in compliance with all laws, rules,
9 and standards that are applicable to manufactured homes and
10 manufactured housing. The manufactured housing program fund
11 is designed exclusively for manufactured homes sited on leased
12 land.

13 2. *a.* Moneys received by the authority for the manufactured
14 housing program fund, transferred by the authority for deposit
15 in the fund, appropriated to the fund, and any other moneys
16 available to and obtained or accepted by the authority for
17 placement in the fund shall be deposited in the fund and are
18 appropriated to the authority to be used as set forth in this
19 section.

20 *b.* Notwithstanding any provision of section 16.46,
21 16.47, 16.48, or 16.49 to the contrary, the authority shall
22 be authorized to transfer for deposit in the manufactured
23 housing program fund for any fiscal year any unobligated and
24 unencumbered moneys in the funds created in sections 16.46,
25 16.47, 16.48, and 16.49 from the prior fiscal year. However,
26 the maximum amount of moneys that may be so transferred for any
27 fiscal year shall not exceed the lesser of one million dollars
28 or an amount equal to the total amount of any unobligated and
29 unencumbered moneys in the funds available for transfer from
30 the previous fiscal year reduced by one million dollars.

31 *c.* Additionally, recapture of awards and other repayments to
32 the fund shall be deposited in the fund and are appropriated
33 to the authority to be used as set forth in this section.
34 Notwithstanding section 8.33, unencumbered or unobligated
35 moneys remaining in the fund on June 30 of any fiscal year

1 shall not revert to any other fund but shall be available for
 2 expenditure in subsequent years. However, any unencumbered
 3 or unobligated moneys remaining in the fund on June 30 of any
 4 fiscal year that were transferred to the fund as provided in
 5 paragraph "b" shall revert to the fund from which the transfer
 6 was made. Notwithstanding section 12C.7, subsection 2,
 7 interest or earnings on moneys in the fund or appropriated to
 8 the fund shall be credited to the fund.

9 3. The authority shall allocate moneys available in the
 10 manufactured housing program fund to financial institutions
 11 or other lenders to be used as set forth in subsection 1.
 12 The authority may provide funding to financial institutions
 13 or other lenders in the form of loans, linked deposits,
 14 guarantees, reserve funds, or any other prudent financial
 15 instruments.

16 4. The authority shall adopt rules pursuant to chapter 17A
 17 necessary to implement and administer this section, including
 18 but not limited to eligibility requirements for financial
 19 institutions or other lenders to receive funding through the
 20 manufactured housing program fund.

21 5. For purposes of this section, "*financial institutions*"
 22 means the same as defined in section 12C.1, "*lender*" means
 23 a lender as defined in section 537.1301 that is licensed
 24 by the banking division of the department of commerce, and
 25 "*manufactured home*" or "*manufactured housing*" means the same as
 26 the definition of manufactured home in section 435.1.

27 Sec. 2. Section 16.54, subsection 2, Code 2018, is amended
 28 to read as follows:

29 2. The home ownership assistance program is established to
 30 continue the program implemented pursuant to 2005 Iowa Acts,
 31 ch. 161, §1, as amended by 2005 Iowa Acts, ch. 115, §37, and
 32 continued in accordance with 2006 Iowa Acts, ch. 1167, §3 and
 33 4, and other appropriations, to provide financial assistance to
 34 eligible members of the armed forces of the United States to
 35 be used for purchasing primary residences, including but not

1 limited to manufactured homes on leased land, in the state of
2 Iowa.

3 EXPLANATION

4 The inclusion of this explanation does not constitute agreement with
5 the explanation's substance by the members of the general assembly.

6 This bill concerns manufactured homes.

7 New Code section 16.45 creates the manufactured housing
8 program fund within the Iowa finance authority to further the
9 goal of providing affordable housing to Iowans. The moneys
10 in the fund are annually appropriated to the authority for
11 the purpose of providing funding to financial institutions or
12 other lenders to finance the purchase by an individual of a
13 manufactured home that is in compliance with all applicable
14 laws, rules, and standards that are applicable to manufactured
15 homes and manufactured housing. The bill further provides
16 that the fund is designed exclusively for manufactured homes
17 on leased land.

18 The bill authorizes the authority to transfer for deposit
19 in the new fund for any fiscal year any unobligated and
20 unencumbered moneys from the senior living revolving loan
21 program fund, home and community-based services revolving loan
22 program fund, transitional housing revolving loan program
23 fund, and community housing and services for persons with
24 disabilities revolving loan program fund from the prior fiscal
25 year. However, the bill provides that the maximum amount of
26 moneys that may be so transferred for any fiscal year shall not
27 exceed the lesser of \$1 million or an amount equal to the total
28 amount of any unobligated and unencumbered moneys in the funds
29 available for transfer from the previous fiscal year reduced
30 by \$1 million.

31 The authority is required to allocate the moneys in the fund
32 to financial institutions or other lenders to meet the purposes
33 set forth in the bill and may provide funding in the form of
34 loans, linked deposits, guarantees, reserve funds, or any other
35 prudent financial instruments.

1 The authority is required to adopt rules that include but
2 are not limited to eligibility requirements for financial
3 institutions or other lenders to receive funding, and any
4 other rules that are necessary to implement and administer the
5 provisions of the bill.

6 For purposes of the bill, "financial institution" means
7 as defined in Code section 12C.1, "lender" means a lender
8 as defined in Code section 537.1301 that is licensed by
9 the banking division of the department of commerce, and
10 "manufactured home" or "manufactured housing" means a
11 factory-built structure constructed under authority of 42
12 U.S.C. §5403, that is required by federal law to display a
13 seal from the United States department of housing and urban
14 development, and was constructed on or after June 15, 1976.

15 Code section 16.54, establishing the home ownership
16 assistance program for military members, is amended to provide
17 that primary residences, for purposes of this program, includes
18 manufactured homes on leased land.